

Examples of MN Projects Funded

- Small and Large Wind Turbines
- Corn/Wood/Pellet Burners
- Geothermal Systems
- Anaerobic Digesters
- Small Scale Ethanol Facilities

More information and tools can be found at:

www.rurdev.usda.gov/mn/



Wind turbines near Owatonna funded by USDA Rural Development's Renewable Energy Grant Program.

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The funding period(s) for 2009:

To be announced.

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RENEWABLE ENERGY



RURAL ENERGY FOR AMERICA PROGRAM

Program Description

History

The USDA Rural Development Renewable Energy and Energy Efficiency Improvement Program was created as part of the historic 2002 Farm Bill. In the last five years, Minnesota has realized almost \$19 million in benefits through this program.

Eligible Projects

Projects must be for the purchase of a renewable energy system. Renewable energy systems include systems that generate energy from wind, solar, biomass or a geothermal source. Projects also include systems that produce hydrogen derived from biomass, or water using a renewable energy source.

Available Funds

Grants can be up to 25 percent of the eligible project costs. The minimum grant available is \$2,500, the maximum is \$500,000. Applications should be limited to the amount needed to make the project feasible. Guaranteed loans may also be available for up to 50 percent of the eligible project costs. Grants and guaranteed loans may be used in combination.

Eligible Areas

Projects are required to be in rural areas, defined as any area with a population less than 50,000 and rural in nature.

Eligible Applicants

- **Agricultural producers**, including farmers and ranchers, who receive 50 percent of their gross income from agricultural operations could be eligible.
- **Rural Small Businesses** meeting the Small Business Administration size standards can also apply.
- A private entity, a rural utility, and rural electric cooperatives are typically eligible, but non-profit or public entities are not eligible.

Technical Requirements

- Technical report
- Applications with project costs of \$200,000 or less may file a Simplified Application.
- Professional engineer if project is over \$400,000
- Feasibility study for projects over \$200,000.

Eligible Project Costs

- Purchase and installation of equipment, except agricultural tillage equipment and vehicles.
- Construction
- Feasibility studies and business plans
- Professional service fees, excluding application preparation
- Permit fees and energy audits or assessments.

Other Requirements

- Be for pre-commercial or commercially available and replicable technology
- Be technically feasible
- Project revenues sufficient to provide for operation and maintenance
- Applicant must be the owner of the system and control the operation and maintenance of the proposed project.
- Simplified applications may be filed for projects under \$200,000 to be completed within 24 months.

